

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PARCEL SELECT CONTRACT 20 (MC2017-78)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2017-105

**USPS RESPONSE TO COMMISSION ORDER NO. 4670,
PROVIDING DATA COLLECTION PLAN**
(July 18, 2018)

The United States Postal Service hereby provides its response to Commission Order No. 4670, issued June 25, 2018. In that Order, the Commission directed the Postal Service to submit a data collection plan in support of the financial model for the Amendment to Parcel Select Contract 20. The Postal Service's data collection plan is attached.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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Data Collection Plan for PS Contract 20 Pickup Component

The store pickups for the instant contract are expected to use either Highway Contract Routes (HCR) or Postal Vehicle Service (PVS) to serve the agreed-upon store locations. The Postal Service plans to select a representative sample of offices/plants and gather the following information:

- For HCR pickups, a report of additional miles resulting from the new stop and contracted cost per mile will be obtained for each such route.
- For PVS pickups, an initial small sample of stores will be selected and a daily report will be generated during a two-week pilot period, detailing:
 - Employee type (CCA, regular carrier, or VSD)
 - Deviation distance (all store pickups are expected to use existing PVS routes)
 - Deviation time (includes driving and loading time at store)
- Volume and pallet counts for all sampled pickups

The Postal Service plans to begin this data collection effort as soon as a sufficient number of stores come online after the Amendment's effective date. After an initial sampling period, the results will be used to determine an appropriate sample size and frequency for the data to be collected.

This data collection plan obtains information about the two cost drivers – workhours and mileage – that would be needed to reliably develop costs for the pickup portion of the Amendment. The collection of data at the finer level of detail used in the bottom-up model to develop the overall workhours (driving speed and time to load)

would require a more comprehensive and costly data collection effort, which may ultimately not yield a commensurate increase in accuracy.